

CDBG PROGRAM

NEIGHBORHOOD DEVELOPMENT

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT

PURPOSE

The Community Development Block Grant Program (CDBG) offers grants to Missouri communities to improve local facilities, address health and safety concerns, and develop a greater capacity for growth. This category provides assistance to communities through both residential property rehabilitation and public infrastructure improvements.

AUTHORIZATION

42 USC § 5301 et seq., 24 C.F.R. Part 570; and Missouri's "Consolidated Plan" submitted to the U.S. Department of Housing and Urban Development.

ELIGIBLE APPLICANTS

State CDBG funds are only available to cities and counties in non-entitlement areas (incorporated municipalities under 50,000 and counties under 200,000).

ELIGIBLE ACTIVITIES

The Neighborhood Development Program falls into three categories:

- Targeted
- Scattered Site
- Demolition only

Applicants should carefully review their program goals and the eligible activities under each category to determine which category their project would best fit. In the targeted approach, goals should include every activity necessary to create a sustainable, viable neighborhood. Under the scattered site approach, the applicant should be looking at improving the market value of housing throughout a larger area or improving housing conditions of a class of persons most in need. Demolition projects are used to eliminate slum and blight conditions that represent a hazard to the health and safety of citizens.

APPLICATION PROCESS

Communities interested in applying for grant assistance should complete a CDBG application. This category is competitive and has a deadline of June 15.

Rehabilitation activities require 100% low-to-moderate income (LMI) beneficiaries. Any additional public facility work that is proposed in a target area application must benefit at least 51% LMI per survey. Demolition activities may qualify by either LMI or slum and blight clearance.

FUNDING LIMITS

For target area projects, the maximum amount available is \$500,000 or \$21,000/household. Scattered site projects are limited to \$500,000 or \$21,000/household, and demolition only projects are limited to \$125,000 with at least five demolitions addressed.

SPECIAL PROGRAM REQUIREMENTS

Based upon the survey found in the CDBG application, applicants should determine the optimal target area boundaries to achieve the city's goals and objectives for the project. They must also ensure that the area has an adequate number of persons that are eligible (by income level) to participate in the program, and who desire to participate in the program. Applicants that show preparedness and local responsibility, leveraging and initiative will receive consideration.

CONTACT

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ADDITIONAL RESOURCES

Go to the department's home page at www.ded.mo.gov to obtain guidelines and forms for the CDBG Neighborhood Development program as well as a wealth of information regarding this program and Missouri's many other economic development programs and policies.